

State of Illinois
ILLINOIS COMMERCE COMMISSION

CENTRAL ILLINOIS LIGHT COMPANY
d/b/a AmerenCILCO

Docket No. 06-0070

CENTRAL ILLINOIS PUBLIC SERVICE COMPANY
d/b/a AmerenCIPS

Docket No. 06-0071

ILLINOIS POWER COMPANY
d/b/a AmerenIP

Docket No. 06-0072
(Consolidated)

Proposed general increase in rates for delivery
service.

Rebuttal Testimony and Schedules of

James T. Selecky

On Behalf of

Wal-Mart Stores, Inc.

June 27, 2006



BRUBAKER & ASSOCIATES, INC.
ST. LOUIS, MO 63141-2000

State of Illinois

ILLINOIS COMMERCE COMMISSION

CENTRAL ILLINOIS LIGHT COMPANY d/b/a AmerenCILCO	:	Docket No. 06-0070
CENTRAL ILLINOIS PUBLIC SERVICE COMPANY d/b/a AmerenCIPS	:	Docket No. 06-0071
ILLINOIS POWER COMPANY d/b/a AmerenIP	:	Docket No. 06-0072 (Consolidated)
Proposed general increase in rates for delivery service.	:	

Rebuttal Testimony of James T. Selecky

1 Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A James T. Selecky; 1215 Fern Ridge Parkway, Suite 208; St. Louis, MO 63141-2000.

3 Q WHAT IS YOUR OCCUPATION AND BY WHOM ARE YOU EMPLOYED?

4 A I am a consultant in the field of public utility regulation and a principal in the firm of
5 Brubaker & Associates, Inc., energy, economic and regulatory consultants.

6 Q ARE YOU THE SAME JAMES T. SELECKY WHO FILED DIRECT TESTIMONY ON
7 APRIL 26, 2006 IN THIS PROCEEDING?

8 A Yes, I am.

9 **Q** **WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS**
10 **PROCEEDING?**

11 A The purpose of my rebuttal testimony is to update certain of my schedules that I filed
12 in my direct testimony to reflect the changes in the Ameren Utilities' cost of service
13 studies, which it revised in its rebuttal testimony.

14 **Q** **WHAT SCHEDULES DID YOU REVISE?**

15 A I have revised the following schedules:

16 **Schedule 1.1** – Results of 2004 Embedded Cost of Service Study at Present and
17 Proposed Rates.

18 **Schedule 1.3** – Results Cost of Service Study Based on Customer and Demand
19 Allocation of Accounts 364 through 368

20 **Schedule 1.5** – Allocation of Reduction to Proposed Revenues Based on Ameren
21 Utilities' Cost of Service Studies

22 **Schedule 1.6** – Allocation of Reduction to Ameren Utilities' Proposed Revenue
23 Based on Revised Allocation for Accounts 364 through 368

24 I have marked these schedules utilizing the same scheduling numbers that
25 are included in my direct testimony. However, each of the schedules shows that it is
26 revised.

27 **Q** **DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY AT THIS TIME?**

28 A Yes, it does.

AMEREN-CILCO

2004 EMBEDDED COS MODEL COMPARISON OF RATE CLASS RATE OF RETURN & REVENUE REQUIREMENTS AT PRESENT & PROPOSED RATES (000's)

LINE	DESCRIPTION	TOTAL (A)	DS-1 (B)	DS-2 (C)	DS-3 (D)	DS-4 (E)	DS-5 (F)
Current Rates							
1	Present Revenues	\$97,327	\$55,254	\$23,383	\$8,684	\$7,370	\$2,636
2	Operating Expenses	<u>97,099</u>	<u>58,425</u>	<u>19,338</u>	<u>9,690</u>	<u>6,832</u>	<u>2,814</u>
3	Net Operating Income	\$228	(\$3,171)	\$4,045	(\$1,006)	\$538	(\$178)
4	Rate Base	\$298,271	\$180,179	\$55,878	\$33,588	\$22,315	\$6,311
5	Actual Rate of Return	0.08%	-1.76%	7.24%	-3.00%	2.41%	-2.82%
6	Under / (Over) Collection *	\$0	\$5,491	(\$6,642)	\$1,712	(\$865)	\$303
Proposed Rates							
7	Proposed Revenues	\$140,395	\$77,571	\$33,537	\$15,709	\$9,727	\$3,851
Expenses:							
8	Operating Expenses	<u>114,216</u>	<u>67,295</u>	<u>23,373</u>	<u>12,482</u>	<u>7,769</u>	<u>3,297</u>
9	Net Operating Income	\$26,179	\$10,276	\$10,164	\$3,227	\$1,958	\$554
10	Rate Base	\$298,271	\$180,179	\$55,878	\$33,588	\$22,315	\$6,311
11	Rate of Return	8.78%	5.70%	18.19%	9.61%	8.77%	8.78%
12	Under / (Over) Collection *	(\$0)	\$9,191	(\$8,729)	(\$463)	\$1	(\$0)

Note:

* An under collection indicates that a service classification rates are below cost of service.
An over collection indicates that a service classification rates are above cost of service.

Sources:

Schedule 19.1, Page 1 & 2 of 2
Schedule 20.1, Page 5 & 6 of 6

AMEREN-CIPS

2004 EMBEDDED COS MODEL COMPARISON OF RATE CLASS RATE OF RETURN & REVENUE REQUIREMENTS AT PRESENT & PROPOSED RATES (000's)

LINE	DESCRIPTION	TOTAL (A)	DS-1 (B)	DS-2 (C)	DS-3 (D)	DS-4 (E)	DS-5 (F)
Current Rates							
1	Present Revenues	\$210,947	\$113,512	\$44,014	\$23,241	\$21,966	\$8,214
2	Operating Expenses	<u>182,643</u>	<u>101,687</u>	<u>37,132</u>	<u>19,965</u>	<u>16,277</u>	<u>7,582</u>
3	Net Operating Income	\$28,304	\$11,825	\$6,882	\$3,276	\$5,689	\$632
4	Rate Base	\$440,573	\$238,894	\$95,317	\$52,755	\$39,122	\$14,485
5	Actual Rate of Return	6.42%	4.95%	7.22%	6.21%	14.54%	4.36%
6	Under / (Over) Collection *	\$0	\$5,846	(\$1,259)	\$188	(\$5,270)	\$496
Proposed Rates							
7	Proposed Revenues	\$224,908	\$122,847	\$48,471	\$26,488	\$17,935	\$9,168
Expenses:							
8	Operating Expenses	<u>188,191</u>	<u>105,397</u>	<u>38,903</u>	<u>21,255</u>	<u>14,675</u>	<u>7,961</u>
9	Net Operating Income	\$36,717	\$17,450	\$9,568	\$5,232	\$3,260	\$1,207
10	Rate Base	\$440,573	\$238,894	\$95,317	\$52,755	\$39,122	\$14,485
11	Rate of Return	8.33%	7.30%	10.04%	9.92%	8.33%	8.33%
12	Under / (Over) Collection *	\$0	\$4,082	(\$2,695)	(\$1,387)	\$1	\$0

Note:

* An under collection indicates that a service classification rates are below cost of service.
An over collection indicates that a service classification rates are above cost of service.

Sources:

Schedule 19.2, Page 1 & 2 of 2
Schedule 20.1, Page 3 & 4 of 6

AMEREN-IP

2004 EMBEDDED COS MODEL COMPARISON OF RATE CLASS RATE OF RETURN & REVENUE REQUIREMENTS AT PRESENT & PROPOSED RATES (000's)

LINE	DESCRIPTION	TOTAL (A)	DS-1 (B)	DS-2 (C)	DS-3 (D)	DS-4 (E)	DS-5 (F)
Current Rates							
1	Present Revenues	\$255,492	\$152,268	\$48,119	\$21,563	\$12,757	\$20,785
2	Operating Expenses	<u>231,801</u>	<u>140,121</u>	<u>42,870</u>	<u>20,601</u>	<u>13,632</u>	<u>14,577</u>
3	Net Operating Income	\$23,691	\$12,147	\$5,249	\$962	(\$875)	\$6,208
4	Rate Base	\$1,251,259	\$720,077	\$234,925	\$115,023	\$84,423	\$96,811
5	Actual Rate of Return	1.89%	1.69%	2.23%	0.84%	-1.04%	6.41%
6	Under / (Over) Collection *	\$0	\$2,467	(\$1,329)	\$2,018	\$4,105	(\$7,261)
Proposed Rates							
7	Proposed Revenues	\$400,699	\$225,076	\$79,312	\$44,894	\$26,659	\$24,758
Expenses:							
8	Operating Expenses	<u>289,512</u>	<u>169,058</u>	<u>55,268</u>	<u>29,873</u>	<u>19,157</u>	<u>16,156</u>
9	Net Operating Income	\$111,187	\$56,018	\$24,044	\$15,021	\$7,502	\$8,602
10	Rate Base	\$1,251,259	\$720,077	\$234,925	\$115,023	\$84,423	\$96,811
11	Rate of Return	8.89%	7.78%	10.23%	13.06%	8.89%	8.89%
12	Under / (Over) Collection *	\$0	\$13,224	(\$5,259)	(\$7,966)	(\$0)	\$1

Note:

* An under collection indicates that a service classification rates are below cost of service.
An over collection indicates that a service classification rates are above cost of service.

Sources:

Schedule 19.3, Page 1 & 2 of 2
Schedule 20.1, Page 1 & 2 of 6

AMEREN-CILCO - PROPOSED REVENUES

**REVISED EMBEDDED COST OF SERVICE STUDY BASED
CUSTOMER & DEMAND ALLOCATION OF ACCOUNTS 364 THROUGH 368
(THOUSANDS OF DOLLARS)**

Line	Description	Total Company (A)	DS-1 (B)	DS-2 (C)	DS-3 (D)	DS-4 (E)	DS-5 (F)
	DEVELOPMENT OF RATE BASE						
1	GROSS PLANT IN SERVICE	\$ 730,786	\$ 490,320	\$ 121,283	\$ 61,524	\$ 42,713	\$ 14,946
2	LESS: RESERVE FOR DEPRECIATION	406,705	273,263	67,385	33,456	23,842	8,758
3	NET PLANT IN SERVICE	\$ 324,081	\$ 217,057	\$ 53,897	\$ 28,068	\$ 18,871	\$ 6,188
4	RATE BASE ADDITIONS	7,102	4,760	1,135	613	395	200
5	RATE BASE DEDUCTIONS	32,916	23,396	5,414	2,143	1,482	481
6	TOTAL RATE BASE	\$ 298,267	\$ 198,420	\$ 49,618	\$ 26,538	\$ 17,784	\$ 5,907
7	OPERATING REVENUES	\$ 140,395	\$ 77,571	\$ 33,537	\$ 15,709	\$ 9,727	\$ 3,851
	OPERATING EXPENSES:						
8	OPERATION & MAINTENANCE	\$ 67,575	\$ 45,706	\$ 10,177	\$ 6,062	\$ 3,438	\$ 2,191
9	DEPRECIATION & AMORT EXPENSE	26,996	18,112	4,475	2,275	1,575	559
10	TAXES OTHER THAN INCOME TAX	7,286	4,887	1,194	618	419	168
11	INCOME TAXES	12,359	1,539	6,538	2,436	1,533	314
12	DEFERRED INCOME TAXES	-	-	-	-	-	-
13	INVESTMENT TAX CREDIT DEF-NET	-	-	-	-	-	-
14	TOTAL OPERATING EXPENSES	\$ 114,216	\$ 70,244	\$ 22,383	\$ 11,392	\$ 6,965	\$ 3,232
15	OPERATING INCOME	\$ 26,179	\$ 7,327	\$ 11,154	\$ 4,317	\$ 2,762	\$ 619
16	RATE OF RETURN	8.78%	3.69%	22.48%	16.27%	15.53%	10.48%
17	INDEX RATE OF RETURN	100	42	256	185	177	119
18	UNDER / (OVER) COLLECTION *	\$ (0)	\$ 16,743	\$ (11,283)	\$ (3,299)	\$ (1,993)	\$ (167)

Note:

* An under collection indicates that a service classification rates are below cost of service.
An over collection indicates that a service classification rates are above cost of service.

AMEREN-CIPS - PROPOSED REVENUES

REVISED EMBEDDED COST OF SERVICE STUDY BASED CUSTOMER & DEMAND ALLOCATION OF ACCOUNTS 364 THROUGH 368 (THOUSANDS OF DOLLARS)

Line	Description	Total Company (A)	DS-1 (B)	DS-2 (C)	DS-3 (D)	DS-4 (E)	DS-5 (F)
	DEVELOPMENT OF RATE BASE						
1	GROSS PLANT IN SERVICE	\$ 1,224,008	\$ 728,444	\$ 240,030	\$ 112,103	\$ 85,644	\$ 57,787
2	LESS: RESERVE FOR DEPRECIATION	660,819	387,511	128,337	59,703	45,939	39,329
3	NET PLANT IN SERVICE	\$ 563,189	\$ 340,933	\$ 111,692	\$ 52,400	\$ 39,705	\$ 18,458
4	RATE BASE ADDITIONS	13,905	8,388	2,659	1,282	930	646
5	RATE BASE DEDUCTIONS	136,520	82,013	27,586	11,739	9,110	6,072
6	TOTAL RATE BASE	\$ 440,574	\$ 267,308	\$ 86,765	\$ 41,943	\$ 31,525	\$ 13,032
7	OPERATING REVENUES	\$ 224,908	\$ 122,847	\$ 48,471	\$ 26,488	\$ 17,935	\$ 9,168
	OPERATING EXPENSES:						
8	OPERATION & MAINTENANCE	\$ 105,351	\$ 67,262	\$ 18,639	\$ 9,348	\$ 6,115	\$ 3,986
9	DEPRECIATION & AMORT EXPENSE	45,618	27,129	8,957	4,176	3,199	2,156
10	TAXES OTHER THAN INCOME TAX	21,396	12,779	4,169	1,963	1,480	1,006
11	INCOME TAXES	15,826	3,238	5,638	3,910	2,478	562
12	DEFERRED INCOME TAXES	-	-	-	-	-	-
13	INVESTMENT TAX CREDIT DEF-NET	-	-	-	-	-	-
14	TOTAL OPERATING EXPENSES	\$ 188,191	\$ 110,408	\$ 37,402	\$ 19,398	\$ 13,272	\$ 7,711
15	OPERATING INCOME	\$ 36,717	\$ 12,438	\$ 11,068	\$ 7,090	\$ 4,663	\$ 1,457
16	RATE OF RETURN	8.33%	4.65%	12.76%	16.90%	14.79%	11.18%
17	INDEX RATE OF RETURN	100	56	153	203	177	134
18	UNDER / (OVER) COLLECTION *	\$ 0	\$ 16,329	\$ (6,369)	\$ (5,965)	\$ (3,378)	\$ (616)

Note:

* An under collection indicates that a service classification rates are below cost of service.
An over collection indicates that a service classification rates are above cost of service.

AMEREN-IP - PROPOSED REVENUES

**REVISED EMBEDDED COST OF SERVICE STUDY BASED
CUSTOMER & DEMAND ALLOCATION OF ACCOUNTS 364 THROUGH 368
(THOUSANDS OF DOLLARS)**

<u>Line</u>	<u>Description</u>	<u>Total Company (A)</u>	<u>DS-1 (B)</u>	<u>DS-2 (C)</u>	<u>DS-3 (D)</u>	<u>DS-4 (E)</u>	<u>DS-5 (F)</u>
	DEVELOPMENT OF RATE BASE						
1	GROSS PLANT IN SERVICE	\$ 1,945,360	\$ 1,219,230	\$ 319,290	\$ 140,930	\$ 110,958	\$ 154,952
2	LESS: RESERVE FOR DEPRECIATION	<u>670,053</u>	<u>418,064</u>	<u>109,551</u>	<u>49,453</u>	<u>40,969</u>	<u>52,017</u>
3	NET PLANT IN SERVICE	\$ 1,275,307	\$ 801,167	\$ 209,739	\$ 91,477	\$ 69,990	\$ 102,934
4	RATE BASE ADDITIONS	19,816	12,819	3,170	1,503	1,115	1,210
5	RATE BASE DEDUCTIONS	<u>43,865</u>	<u>32,194</u>	<u>7,025</u>	<u>1,632</u>	<u>1,231</u>	<u>1,783</u>
6	TOTAL RATE BASE	\$ 1,251,258	\$ 781,791	\$ 205,884	\$ 91,348	\$ 69,874	\$ 102,361
7	OPERATING REVENUES	\$ 400,699	\$ 225,076	\$ 79,312	\$ 44,894	\$ 26,659	\$ 24,758
	OPERATING EXPENSES:						
8	OPERATION & MAINTENANCE	\$ 152,454	\$ 101,048	\$ 24,645	\$ 11,695	\$ 8,311	\$ 6,755
9	DEPRECIATION & AMORT EXPENSE	55,062	35,044	8,914	4,047	3,092	3,965
10	TAXES OTHER THAN INCOME TAX	31,322	19,658	5,135	2,274	1,785	2,470
11	INCOME TAXES	50,675	19,057	13,889	9,704	4,572	3,453
12	DEFERRED INCOME TAXES	-	-	-	-	-	-
13	INVESTMENT TAX CREDIT DEF-NET	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
14	TOTAL OPERATING EXPENSES	<u>\$ 289,513</u>	<u>\$ 174,807</u>	<u>\$ 52,583</u>	<u>\$ 27,719</u>	<u>\$ 17,761</u>	<u>\$ 16,642</u>
15	OPERATING INCOME	\$ 111,186	\$ 50,269	\$ 26,729	\$ 17,174	\$ 8,898	\$ 8,116
16	RATE OF RETURN	8.89%	6.43%	12.98%	18.80%	12.73%	7.93%
17	INDEX RATE OF RETURN	100	72	146	212	143	89
18	UNDER / (OVER) COLLECTION *	\$ (0)	\$ 31,865	\$ (13,997)	\$ (15,031)	\$ (4,463)	\$ 1,627

Note:

* An under collection indicates that a service classification rates are below cost of service.

An over collection indicates that a service classification rates are above cost of service.

**AMEREN-CILCO
(000's)**

**ALLOCATION OF REDUCTION TO
PROPOSED REVENUE BASED ON AMEREN-CILCO COS MODEL**

<u>Line</u>	<u>Class</u>	<u>Rate Base</u> (A)	<u>Rate Base</u> <u>Allocation</u> (B)	<u>Ameren- CILCO Proposed Revenue</u> (C)	<u>Revenue Deviation From COS *</u> (D)	<u>Revenue Reduction</u> (E)	<u>Allocation to Reduce Deviation</u> (F)	<u>Allocation of Remainder on Rate Base</u> (G)	<u>Total Revenue Reduction</u> (H)	<u>Adjusted Ameren-CILCO Proposed Revenues</u> (I)
1	DS 1	\$180,179	60.41%	\$77,571	\$9,191		\$0	\$6,529	\$6,529	\$71,042
2	DS 2	\$55,878	18.73%	\$33,537	(\$8,729)		\$8,729	\$2,025	\$10,754	\$22,783
3	DS 3	\$33,588	11.26%	\$15,709	(\$463)		\$463	\$1,217	\$1,680	\$14,029
4	DS 4	\$22,315	7.48%	\$9,727	\$1		\$0	\$809	\$809	\$8,918
5	DS 5	\$6,311	2.12%	\$3,851	(\$0)		\$0	\$229	\$229	\$3,622
6	Total	\$298,271	100.00%	\$140,395	(\$0)	\$20,000	\$9,192	\$10,808	\$20,000	\$120,395

Note:

* A positive number indicates that customer class revenue responsibility is below its cost of service

**AMEREN-CIPS
(000's)**

**ALLOCATION OF REDUCTION TO
PROPOSED REVENUE BASED ON AMEREN-CILCO COS MODEL**

<u>Line</u>	<u>Class</u>	<u>Rate Base</u> (A)	<u>Rate Base</u> <u>Allocation</u> (B)	<u>Ameren- CIPS</u> <u>Proposed</u> <u>Revenue</u> (C)	<u>Revenue</u> <u>Deviation</u> <u>From</u> <u>COS *</u> (D)	<u>Revenue</u> <u>Reduction</u> (E)	<u>Allocation</u> <u>to Reduce</u> <u>Deviation</u> (F)	<u>Allocation of</u> <u>Remainder</u> <u>on Rate Base</u> (G)	<u>Total</u> <u>Revenue</u> <u>Reduction</u> (H)	<u>Adjusted</u> <u>Ameren-CIPS</u> <u>Proposed</u> <u>Revenues</u> (I)
1	DS 1	\$238,894	54.22%	\$122,847	\$4,082		\$0	\$2,124	\$2,124	\$120,722
2	DS 2	\$95,317	21.63%	\$48,471	(\$2,695)		\$2,695	\$847	\$3,543	\$44,928
3	DS 3	\$52,755	11.97%	\$26,488	(\$1,387)		\$1,387	\$469	\$1,856	\$24,631
4	DS 4	\$39,122	8.88%	\$17,935	\$1		\$0	\$348	\$348	\$17,587
5	DS 5	\$14,485	3.29%	\$9,168	\$0		\$0	\$129	\$129	\$9,039
6	Total	\$440,573	100.00%	\$224,908	\$0	\$8,000	\$4,083	\$3,917	\$8,000	\$216,908

Note:

* A positive number indicates that customer class revenue responsibility is below its cost of service

**AMEREN-IP
(000's)**

**ALLOCATION OF REDUCTION TO
PROPOSED REVENUE BASED ON AMEREN-CILCO COS MODEL**

<u>Line</u>	<u>Class</u>	<u>Rate Base</u> (A)	<u>Rate Base</u> <u>Allocation</u> (B)	<u>Ameren-IP</u> <u>Proposed</u> <u>Revenue</u> (C)	<u>Revenue</u> <u>Deviation</u> <u>From</u> <u>COS *</u> (D)	<u>Revenue</u> <u>Reduction</u> (E)	<u>Allocation</u> <u>to Reduce</u> <u>Deviation</u> (F)	<u>Allocation of</u> <u>Remainder</u> <u>on Rate Base</u> (G)	<u>Total</u> <u>Revenue</u> <u>Reduction</u> (H)	<u>Adjusted</u> <u>Ameren-IP</u> <u>Proposed</u> <u>Revenues</u> (I)
1	DS 1	\$720,077	57.55%	\$225,076	\$13,224		\$0	\$32,673	\$32,673	\$192,403
2	DS 2	\$234,925	18.78%	\$79,312	(\$5,259)		\$5,259	\$10,660	\$15,918	\$63,394
3	DS 3	\$115,023	9.19%	\$44,894	(\$7,966)		\$7,966	\$5,219	\$13,185	\$31,709
4	DS 4	\$84,423	6.75%	\$26,659	(\$0)		\$0	\$3,831	\$3,831	\$22,828
5	DS 5	\$96,811	7.74%	\$24,758	\$1		\$0	\$4,393	\$4,393	\$20,365
6	Total	\$1,251,259	100.00%	\$400,699	\$0	\$70,000	\$13,225	\$56,775	\$70,000	\$330,699

Note:

* A positive number indicates that customer class revenue responsibility is below its cost of service

**AMEREN-CILCO
(000's)**

**ALLOCATION OF REDUCTION TO
PROPOSED REVENUE BASED ON REVISED ACCOUNTS 364-368 ALLOCATION**

<u>Line</u>	<u>Class</u>	<u>Rate Base</u> (A)	<u>Rate Base</u> <u>Allocation</u> (B)	<u>Ameren- CILCO</u> <u>Proposed</u> <u>Revenue</u> (C)	<u>Revenue</u> <u>Deviation</u> <u>From</u> <u>COS *</u> (D)	<u>Revenue</u> <u>Reduction</u> (E)	<u>Allocation</u> <u>to Reduce</u> <u>Deviation</u> (F)	<u>Allocation of</u> <u>Remainder</u> <u>on Rate Base</u> (G)	<u>Total</u> <u>Revenue</u> <u>Reduction</u> (H)	<u>Adjusted</u> <u>Ameren-CIPS</u> <u>Proposed</u> <u>Revenues</u> (I)
1	DS 1	\$198,420	66.52%	\$77,571	\$16,743		\$0	\$2,167	\$2,167	\$75,404
2	DS 2	\$49,618	16.64%	\$33,537	(\$11,283)		\$11,283	\$542	\$11,825	\$21,712
3	DS 3	\$26,538	8.90%	\$15,709	(\$3,299)		\$3,299	\$290	\$3,589	\$12,120
4	DS 4	\$17,784	5.96%	\$9,727	(\$1,993)		\$1,993	\$194	\$2,187	\$7,540
5	DS 5	\$5,907	1.98%	\$3,851	(\$167)		\$167	\$65	\$231	\$3,620
6	Total	\$298,267	100.00%	\$140,395	(\$0)	\$20,000	\$16,743	\$3,257	\$20,000	\$120,395

Note:

* A positive number indicates that customer class revenue responsibility is below its cost of service

**AMEREN-CIPS
(000's)**

**ALLOCATION OF REDUCTION TO
PROPOSED REVENUE BASED ON REVISED ACCOUNTS 364-368 ALLOCATION**

<u>Line</u>	<u>Class</u>	<u>Rate Base</u> (A)	<u>Rate Base Allocation</u> (B)	<u>Ameren-CIPS Proposed Revenue</u> (C)	<u>Revenue Deviation From COS *</u> (D)	<u>Revenue Reduction</u> (E)	<u>Allocation to Reduce Deviation</u> (F)	<u>Allocation of Remainder on Rate Base</u> (G)	<u>Total Revenue Reduction</u> (H)	<u>Adjusted Ameren-CIPS Proposed Revenues</u> (I)
1	DS 1	\$267,308	60.67%	\$122,847	\$16,329		\$0	(\$0)	(\$0)	\$122,847
2	DS 2	\$86,765	19.69%	\$48,471	(\$6,369)		\$3,120	(\$0)	\$3,120	\$45,351
3	DS 3	\$41,943	9.52%	\$26,488	(\$5,965)		\$2,923	(\$0)	\$2,923	\$23,565
4	DS 4	\$31,525	7.16%	\$17,935	(\$3,378)		\$1,655	(\$0)	\$1,655	\$16,280
5	DS 5	\$13,032	2.96%	\$9,168	(\$616)		\$302	(\$0)	\$302	\$8,866
6	Total	\$440,574	100.00%	\$224,908	\$0	\$8,000	\$8,000	(\$0)	\$8,000	\$216,908

Note:

* A positive number indicates that customer class revenue responsibility is below its cost of service

AMEREN-IP (000's)

ALLOCATION OF REDUCTION TO PROPOSED REVENUE BASED ON REVISED ACCOUNTS 364-368 ALLOCATION

<u>Line</u>	<u>Class</u>	<u>Rate Base</u> (A)	<u>Rate Base</u> <u>Allocation</u> (B)	<u>Ameren-IP</u> <u>Proposed</u> <u>Revenue</u> (C)	<u>Revenue</u> <u>Deviation</u> <u>From</u> <u>COS *</u> (D)	<u>Revenue</u> <u>Reduction</u> (E)	<u>Allocation</u> <u>to Reduce</u> <u>Deviation</u> (F)	<u>Allocation of</u> <u>Remainder</u> <u>on Rate Base</u> (G)	<u>Total</u> <u>Revenue</u> <u>Reduction</u> (H)	<u>Adjusted</u> <u>Ameren-IP</u> <u>Proposed</u> <u>Revenues</u> (I)
1	DS 1	\$781,791	62.48%	\$225,076	\$31,865		\$0	\$22,811	\$22,811	\$202,266
2	DS 2	\$205,884	16.45%	\$79,312	(\$13,997)		\$13,997	\$6,007	\$20,004	\$59,307
3	DS 3	\$91,348	7.30%	\$44,894	(\$15,031)		\$15,031	\$2,665	\$17,697	\$27,197
4	DS 4	\$69,874	5.58%	\$26,659	(\$4,463)		\$4,463	\$2,039	\$6,502	\$20,157
5	DS 5	<u>\$102,361</u>	<u>8.18%</u>	<u>\$24,758</u>	<u>\$1,627</u>		<u>\$0</u>	<u>\$2,987</u>	<u>\$2,987</u>	<u>\$21,771</u>
6	Total	\$1,251,258	100.00%	\$400,699	(\$0)	\$70,000	\$33,492	\$36,508	\$70,000	\$330,699

Note:

* A positive number indicates that customer class revenue responsibility is below its cost of service